

Last Years of the Horse Cars

The Omaha Horse Railway Company was reorganized in 1883 and Capt. W. W. Marsh relieved of the individual responsibility which he had carried for five years. Omaha had started to grow in earnest and Captain Marsh saw the necessity of adding strength and capital to the street railway in order to meet the rapid demands for extensions and improvements.

From 1878 to 1883 the road had paid operating expenses but had paid no profits nor created a surplus either for improvements or renewals. A good sized floating debt had been piled up in financing extensions and betterments.

By 1883 there were some 35 cars in service calling for the efforts of about 80 employes. Daily receipts ran in the neighborhood of \$300. The new equipment consisted of cars 14 feet long, the best of their kind at that date and the largest that could be operated without a conductor.

The original name of the company was retained in the reorganization. The principal stockholders were Frank Murphy, president of the Merchants National Bank; Guy C. Barton, head of the smelting works; S. H. H. Clark, then president of the Union Pacific; Captain Marsh and W. A. Smith. Stock was issued in the amount of \$500,000 and bonds in the amount of \$300,000. The bonds were taken largely by the new stockholders and a portion was assigned to Captain Marsh to reimburse him for construction accounts and debts against the property. What bonds were sold to outsiders were marketed at a heavy discount, although they had to be redeemed at their full face value at maturity.

The career of the new Omaha Horse Railway Company lasted until April 1, 1889, and was full of excitement, varying fortune, expansion, perplexities, doubts and final transformation before the march of progress. The city grew like a young giant, spreading out, to its detriment, over a vast area through real estate speculation. Outside capital poured into Omaha and its population jumped from 25,000 in 1882 to 80,000 in 1889. Its official area increased in the same time from twelve square miles to twenty-two square miles.

Street railway lines were wanted everywhere. The real estate boomers recognized the value of transportation service and every effort was brought to bear on the company to build new lines. The following principal horse car lines were built, equipped and put in service:

Original Line Extension—on Cuming street west from Twenty-fourth to Thirty-second street.

Thirteenth Street Line—Starting at Sixteenth and Vinton streets, east to Thirteenth, north to Webster, west to Sixteenth, north to Cuming, west to Twentieth street and to the junction with the other lines at 21st street.

Twenty-sixth Street Line—North on Twenty-fourth from Hamilton to Seward, west to Twenty-sixth and north on Twenty-sixth to Lake street.

Lake Street Connection—On Lake street from Eighteenth to Twenty-sixth.

Fair Grounds Line [Abandoned after a few years owing to removal of state fair to Lincoln]—North on Twentieth street, Lake to Fair Grounds, distance about three-fourths mile.

Farnam Street Extension—On Farnam street from Fifteenth to Thirty-eighth, south on Thirty-eighth to Leavenworth, where connection was made with Hanscom Park line.

Three modern and completely equipped car barns were built at the following locations:

Sixteenth and Vinton Streets, capacity 100 horses.

Twenty-sixth and Lake Streets, capacity 235 horses.

Union Station, capacity 30 horses.

During this period Omaha began to regrade and pave its streets. Among the first streets paved were those which the street railway had helped to make the main arteries of traffic. The improvements compelled the company to reconstruct its tracks and roadway at what was then heavy expense. The old iron "T" rail had to be abandoned and the "strap rail" substituted. This type of construction consisted of cypress stringers 4x6 inches in size over which was bent and fastened strips of wrought iron 1 1-8 inches thick, weighing about 25 pounds to the yard.

Increased traffic made it necessary to double-track a considerable part of the line, most of this work being done on Farnam and North Eighteenth Streets.

For the first time in its history the Horse Railway made money. The profits were substantial. But every dollar of profit was put back into the railway in extensions and betterments. Not one cent was paid in dividends.

From 1883 to 1889 between \$700,000 and \$800,000 was spent on the construction, reconstruction and equipment of the Omaha Horse Railway. At the end of the period there were about 75 cars in service, 600 horses owned and worked and 255 persons employed. There were about 25 miles of line.

The large amount expended on the Horse Railway in these years was practically swept away by the introduction of cable tramways and the application of electricity to urban transportation. The money was paid out to give Omaha street car service during a time of well-advised doubt over the desirability of cables and uncertainty as to what might be expected from electricity.

The cable had been demonstrated a practical working success in a number of cities and no doubt existed but that this power method was better than horses. But the possibilities of trolley operation had been foreshadowed and men gifted with optimism had attempted to picture its immeasurable superiority over the cable trams.

What good was to be produced if large sums were to be paid out, streets torn up and cables installed, if in a year or two electric railways would be proved successful and practical beyond dispute?

This was the question that confronted capitalists, traction managers, city councils and the people in the middle and later 80s. It was a question that required time and experience to answer. In the meantime the public asked insistently for something better than horse cars, adventurous men took chances and made vivid promises in exchange for franchise rights and street railway operators studied the subject night and day, conscious of their experience with horse railways and feeling that they must, in prudence, be conservative.

Cable construction was costly—much more so than horse railway construction. Some cities escaped entirely the waste of capital in cable roads, but Omaha did not. Cable roads not only were built here, but were permitted to parallel the horse cars on certain streets.

Competition at that time was popularly believed to be a solution of public utility problems. This is evidenced by the fact that in Omaha, subsequent to granting a franchise for cable roads, the city council granted franchises for two electric railways **at the same time and under the same conditions.**

In the closing years of horse car operation Omaha naturally and properly wanted the best street railway transportation, even though it was not clear what was to be best in the future. Civic pride, the desire for fast and comfortable transit, and the determination not to be outrivalled in metropolitan accomplishments by competitors, made Omaha willing to encourage the expenditure of capital that might never pay out on the utilities it actually was invested in.

The people and the municipal officials invited promoters (using the word in its best sense as meaning leaders in legitimate new enterprises) to accept franchises to secure the money of others and to spend it and their own money, in new kinds of street railways. The main thing was to get the innovations and to do so at the earliest possible moment.

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(*"Cable Railways in Omaha" will be Discussed Next Sunday.*)